Office of the Consumer Advocate

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September 5, 2025

Via Email

The Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road, P.O. Box 21040
St. John's, NL A1A 5B2

Attention: Jo Galarneau
Executive Director and Board Secretary

Dear Ms. Galarneau:

Re: Newfoundland and Labrador Hydro - 2026 Capital Budget Application – Requests for Information CA-NLH-001 to CA-NLH-106

Further to the above-captioned, enclosed are the Consumer Advocate's Requests for Information numbered CA-NLH-001 to CA-NLH-106.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours truly,

Dennis Browne, KC
Consumer Advocate

Encl.
/jm

cc **Newfoundland & Labrador Hydro**
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IN THE MATTER OF the *Electrical Power Control Act, 1994, SNL 1994, Chapter E-5.1 ("EPCA")* and the *Public Utilities Act, RSNL 1990, Chapter P-47 ("Act")*, and regulations thereunder; and

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro ("Hydro") for approval of: (i) its capital budget for 2026, pursuant to Section 41(1) of the *Act*, (ii) its proposed capital purchases and construction projects for 2026 in excess of $750,000, pursuant to Section 41(3)(a) of the *Act,* (iii) contributions by certain Customers for contributions towards the cost of improvements to certain property, pursuant to Section 41(5) of the *Act*, and (iv) for an Order, pursuant to Section 78 of the *Act,* fixing and determining its average rate base for 2024.

CONSUMER ADVOCATE
REQUESTS FOR INFORMATION
CA-NLH-001 to CA-NLH-106

Issued: September 5, 2025

CA-NLH-001 (Reference Application) Please provide a table of annual values from 1993 to 2024 for the following items: Hydro's net plant investment, Hydro's rate base, the number of Hydro customers, the GDP deflator, net plant investment expressed in real terms using the GDP deflator, rate base expressed in real terms using the GDP deflator, net plant in real terms per customer, and real rate base per customer.

CA-NLH-002 (Reference Application) Please provide a table of the annual values from the years 1993 to 2026 for the following items: Hydro's total capital expenditure, the GDP deflator, Hydro's total capital expenditure expressed in real terms using the GDP deflator, the number of Hydro customers, Hydro real capital expenditures per customer. For 2025 and 2026 use the Conference Board of Canada's forecast for GDP deflator; for 2025 use Hydro's estimate of total spending and for 2026 use Hydro's 2026 CBA figures.

CA-NLH-003 (Reference Application) Please provide a table showing regulated rate base, revenue requirement, capital budget amount proposed, capital budget amount approved, capital budget amounts expended, and year-over-year rate change for each of the last 20 years and forecast for the years 2025 through 2030.

CA-NLH-004 (Reference Application) Please provide a list of the dates for all hearings that the Board has held on Hydro capital budget applications in the past 25 years.

CA-NLH-005 (Reference Application) Please provide a table identifying each project/program in the 2026 capital budget, its cost and the customers that are required to pay for the project; i.e., Island Interconnected, Labrador Interconnected and Rural/Isolated. In cases when more than one customer group is required to pay for a project/program, please identify the share of the cost paid by each.

CA-NLH-006 (Reference Application) Please provide the most recent figures available relating to amounts owed or to be credited to consumers for each of Hydro's deferral accounts.

CA-NLH-007 (Reference Application) With respect to the Island Interconnected System, please provide:

a) A table, starting with 2010, that contains the annual production from Hydro's hydraulic generation, Holyrood TGS, other thermal generation, power purchases via the LIL, power purchases imported via the Maritime Link, other power purchases, total island interconnected

customer load, (industrial, utility and NLH rural) and total customer load including Maritime link exports.

b) Commencing January 2023 and up to August 2025, in an Excel file the monthly values of LIL deliveries to the Island Interconnected System, exports over the Maritime Link, imports over the Maritime Link, deliveries of Muskrat Falls energy to the island system net of exports over the Maritime Link, total island interconnected load and Holyrood generation.

c) In an Excel file, Hourly system generation (NLH-hydro, Holyrood, NLH standby, NLH purchases and total) in MW from 2023 and up to August 2025.

CA-NLH-008 (Reference Application) With respect to alternatives considered in the Application:

a) What criteria has Hydro used to determine if an alternative is relevant? Are environmental impacts one such criterion?

b) How has Hydro incorporated future trends in its assessments? Specifically, has Hydro considered sensitivity studies relating to shorter asset lifespans in the event that new environmentally sensitive options become available in, for example, the next 10 years?

c) Which renewable energy forms are viable in NL? Specifically, are rooftop solar and wind, battery storage, green renewable fuels, etc. viable alternatives in NL?

CA-NLH-009 (Reference Application) How did Hydro address the risk of an asset becoming stranded owing to new technology, new environmental regulations such as net-zero emissions policies, distributed generation, rate design, etc., or owing to a significant rate increase resulting from Muskrat Falls, the Resource Adequacy Plan and Newfoundland Power's capital plans?

CA-NLH-010 (Reference Application) According to the Shenandoah Valley Electric Cooperative (https://odec.myenergysites.com/news/ShenandoahValleyElectric/energy-storage-can-electrify-your-bottom-line?newsletterCampaignSendId=45136&subscriberId=f043515d-6ce0-4f8e-aa88-2748acc61f1f&spaceId=v92ovjhf1w1y), battery energy storage "*offers a cleaner and more eco-friendly storage solution. There's no need to run a generator that emits dangerous gases and requires regular maintenance.*" It goes on to say "*You can have the batteries connected to solar or wind sources on-site to generate your own power, lowering the cost of electricity and your carbon footprint. If you need to pull power from the grid, you can do that during off-peak hours and reduce your energy spend.*"

a) Given the remote nature of many of Hydro's customers, is battery energy storage combined with time-of-use rates a valid alternative to meeting load growth and satisfying minimum reliability requirements?
b) How is battery storage in the form of an electric vehicle impacting Hydro's approach to reliability?
c) Is the government, or Hydro, currently offering programs promoting battery storage, customer-owned generation, smart meters or time-of-use rates?
d) Would smart meters reduce the cost and duration of outages, particularly in the case of remote customers?

CA-NLH-011 (Reference Application) When does Hydro expect to file its next General Rate Application?

CA-NLH-012 (Reference Application) Excluding isolated systems, please provide a table showing for the past 15 years Hydro's total revenue requirement broken down by generation, transmission and distribution. Please provide this information for the Island and Labrador Interconnected Systems separately and combined.

CA-NLH-013 (Reference Application) On December 20, 2021 the Board issued its Provisional Capital Budget Application Guidelines. In its cover letter the Board states "*The Board is enclosing provisional Capital Budget Application Guidelines to be used in 2022 for the 2023 capital budget applications as well as other matters related to the Board's oversight of utility capital expenditures.*" The Board goes on to state "*The provisional guidelines were developed based on the work completed to date in the Board's Capital Budget Application Guidelines Review which began in 2019.*"

a) Are the Provisional Guidelines still relevant? What direction has the Board provided with respect to guidelines that are to be used in Hydro's 2024, 2025 and 2026 capital budgets?
b) For each of its 2023, 2024, 2025 and 2026 capital budgets please identify each change that Hydro has made to bring its capital budgets more in line with the requirements set out in the December 20, 2021 Provisional Capital Budget Application Guidelines.

CA-NLH-014 (Reference Application) On December 20, 2021 the Board issued its Provisional Capital Budget Application Guidelines. In its cover letter the Board states "*Before the provisional guidelines are finalized and the review is concluded, the Board will seek further input from the participants.*" It goes on to say "*The Board will establish the process for the conclusion of the capital budget guidelines review next year when there is more clarity as to the scope of the Government's review and the impact of the renewable*

energy plan." Please provide each communication that Hydro has received from the Board with respect to finalizing the Provisional Guidelines issued on December 20, 2021.

CA-NLH-015 (Reference Application) In the Provisional Guidelines it is stated (page 2 of 18) "*The information to be provided in an annual capital budget application and the format for this information is set out in Appendix A. Where a utility is not able to provide the required information it shall provide an explanation as to why the information cannot be provided as well as the basis upon which the proposals should be approved in the absence of this information.*" Please identify each instance in the 2026 CBA where Hydro was unable to provide the required information.

CA-NLH-016 (Reference Application) In the Provisional Guidelines it is stated (page 15 of 18) with respect to the assessment of alternatives "*Defer project and maintain status quo addressing, to the extent possible, the risk of deferral for one or more years, in terms of reliability impact, safety, human resource requirements, and the impact on other capital projects.*" On pages 16 of 18 and 17 of 18 of the Provisional Guidelines it is stated "*Projects and programs shall be evaluated for risk mitigation in the following categories: 1) Reliability 2) Safety 3) Environment. Risk mitigation shall be calculated as the difference in risk before and after the proposed alternatives were implemented. The calculation of risk shall conform to an internationally recognized standard for calculating risk.*"

a) Please provide a table summarizing for each project and program in the 2026 CBA the risk quantified in terms of reliability impact, safety, human resource requirements, and the impact on other capital projects.
b) If Hydro is unable to quantify the risk in these terms, please explain why it is unable to do so given that this is the fourth capital budget submitted under the Provisional Guidelines and that it has been 6 years since the Board initiated its review of the Guidelines in 2019. When does Hydro expect to be in a position to do so?

CA-NLH-017 (Reference Application) Please provide the risk mitigation value provided by Hydro's asset management program (i.e., the difference between baseline risk and residual risk) used to develop its 2026 CBA.

CA-NLH-018 (Reference Application) Please provide the reliability improvement resulting from Hydro's asset management program used to develop its 2026 CBA.

CA-NLH-019 (Reference Application) For each project and program in the 2026 CBA:

a) Please quantify the unit cost associated with improvements in system reliability and risk profile resulting from the project and program.

b) Please quantify the value customers place on the improvements in system reliability and risk reduction and compare it to the cost of the project or program.
c) Please provide a comparison of the proposed improvements in system reliability and risk reduction compared to other projects and programs being proposed and other alternatives that are available.

CA-NLH-020 (Reference Application) What is the overall improvement in productivity stemming from the projects included in the 2026 Capital Budget Application? Please identify the expected cost savings, provide an estimate of the impact on rates and provide an explanation of how these cost savings will be tracked and recorded in Hydro's next GRA.

CA-NLH-021 (Reference Application) Please provide a summary of all laboratory testing conducted by Hydro in the 2026 Capital Budget Application to verify the need for asset replacement.

CA-NLH-022 (Reference Application) Please identify all analyses undertaken as part of the 2026 CBA that were completed by independent third parties.

CA-NLH-023 (Reference Application) Are Hydro and NP considering policy changes to promote customer-owned generation? For example, BC Hydro has around 9,000 net metering participants, and closer to home, Nova Scotia has over 11,000 net-metered solar installations, and New Brunswick has 1,350 net metering participants. It is understood that although Hydro has a $2 billion Build Application before the Board, there are only 14 net metering projects in service across the province.

a) Has Hydro considered modifying the net metering program to a simultaneous buy-sell arrangement whereby customers would be paid unmitigated rates for power supplied to the grid and would pay approved mitigated rates for power taken from the grid? Would this have a significant uptake on net metering given that Hydro is forecasting rates of the order of 25 cents/kWh in 2035 (Hydro Build Application, Schedule 3, Attachment 1, Table 5)?
b) Is the 25 cents/kWh figure in the Build Application representative of mitigated or unmitigated rates? If mitigated, what is the estimate of unmitigated rates in 2035?

CA-NLH-024 (Reference Application) Given that Hydro has a $2 billion Build Application before the Board and is forecasting rates of the order of 25 cents/kWh in 2035 (Hydro Build Application, Schedule 3, Attachment 1, Table 5), does Hydro support advancement of Newfoundland Power's rate design studies in an effort to reduce and optimize capital spending?

CA-NLH-025 (Reference Application) Please provide a discussion of the consideration being given to non-wires alternatives (NWAs) in each Canadian jurisdiction addressing the current practices of Canadian integrated utilities, transmission companies and major distributors. Further, please provide a discussion of the consideration being given to NWAs in each Canadian jurisdiction addressing the current practices of Canadian regulators.

CA-NLH-026 (Reference PUB-NP-040 pertaining to Newfoundland Power's 2025 CBA) New Brunswick Power filed evidence with the New Brunswick Energy and Utilities Board on August 1, 2019 entitled "Advanced Metering Infrastructure Capital Project (https://www.nbpower.com/media/1489724/nbp0103.pdf) which states (page 5) "*The pace of technological change has been increasing and will continue to increase. NB Power believes that continuing to plan on the basis of making investments in traditional utility assets in the face of such change may not be prudent and reasonable.*" Further, Nova Scotia Power states on its website (https://www.nspower.ca/cleanandgreen/innovation/smart-grid-nova-scotia) "*Globally, the electrical grids that have served us over the past century are evolving through new technology into "smart grids." Smart grids offer a future in which individual pieces of the electrical system — including "smart devices" in customers' homes and businesses — can communicate with one another, so that the entire electrical system works together to use energy more efficiently. This means lower overall costs for customers and a cleaner environment.*"

a) The statement above indicates that electrical grids are evolving into smart grids "globally". Does Hydro agree with this statement?
b) Please file documentation produced by, or on behalf of, Hydro that supports or refutes these statements.
c) In the past 5 years, what has Hydro done to make its grid smarter so that the entire electrical system works together to use energy more efficiently?
d) Is AMI technology (smart meters) a big part of utility efforts to make their grids "smarter"?
e) How is Hydro's asset management approach taking into consideration technological change and its impact on traditional utility assets in the face of such change?

CA-NLH-027 (Reference Application, para. 15) It is stated "*As noted above, the assets solely serve the indicated customer, and the costs allocated to those assets will be specifically assigned for recovery from each customer.*" Does this policy relate to both loads and generators in the province? In recent Capital Budget Applications, has Hydro proposed capital expenditures for upgrading connection facilities for private generators?

CA-NLH-028 (Reference Application) Please identify all capital, operating and maintenance costs incurred by Hydro for metering in each of the past five years.

CA-NLH-029 (Reference CA-NLH-042e pertaining to Hydro's 2025 CBA) It is stated "*Currently, subsection 14.1(2) of the Electrical Power Control Act, 1994 ("EPCA") prohibits a retailer or an industrial customer from developing, owning, operating, managing or controlling a facility for the generation and supply of electrical power or energy for its own use or for supply directly or indirectly to the public or an entity on the island portion of the province. This includes wind energy generation.*"

a) Can a residential customer use the battery in its Electric Vehicle to provide emergency service to its home during a system outage?
b) Do owners of Electric Vehicles typically submit applications to become net metering customers? Should they? Does Hydro advise them to do so?

CA-NLH-030 (Reference Application) Please file a copy of Hydro's latest marginal cost forecast, particularly the forecast used to assess the value of non-wires alternatives relative to traditional wires projects and programs.

CA-NLH-031 (Reference Application) Please provide Hydro's number of customers and energy demand by customer class for 2021, 2022, 2023 and 2024, and the forecasts for 2025 and each of the next 5 years, in total and by service area.

CA-NLH-032 (Reference Application) Please provide a table identifying the following for the Island Industrial Customer class: number of customers, peak demand and annual energy consumption for each of the past 5 years.

CA-NLH-033 (Reference Application) Please provide for the record a copy of Hydro's distribution planning guide explaining its planning approach, how integrated resource planning is incorporated including distributed generation and renewable forms of generation, how customer willingness to pay for reliability improvements is taken into account, and how reductions in harmful environmental emissions and government zero-carbon initiatives are taken into account.

CA-NLH-034 (Reference Application) How much excess electricity did Hydro sell in external markets in 2022, 2023 and 2024 and what were the sources of that excess energy? To what extent can Hydro import capacity and energy for the IIS from outside the province over next five years?

CA-NLH-035 (Reference Application) Is Holyrood expected to be fully available for the winter of 2025/26?

CA-NLH-036 (Reference Application) What was the DAUFOP for Holyrood TGS in each of the past 5 years? Please show separately for each unit at Holyrood TGS. What is the DAUFOP for Holyrood assumed in Hydro's planning studies?

CA-NLH-037 (Reference Application) With respect to Isolated Systems, please provide an update on all studies being undertaken to connect Isolated Communities to the grid, or alternatively, replace diesel gensets with more environmentally-friendly alternatives.

CA-NLH-038 (Reference Application) Please provide a table listing all program/projects for which proposed 2026 expenditures are based on historical averages and giving the proposed expenditure for each.

CA-NLH-039 (Reference Application) What is the all-in average rate for all end-use customers on the Island Interconnected System? What is the current rate for residential customers on the Island Interconnected System, both all-in and energy charge only? What is the all-in and energy charge rate forecast for residential customers on the Island Interconnected System for July 2026?

CA-NLH-040 (Reference Application) What is the current status of Hydro's studies on retirement of its small hydro generating facilities? Please file any studies Hydro has completed on its small hydro generation facilities, specifically, those with capacities that are less than 1 MW. Are these facilities expected to remain used and useful?

CA-NLH-041 (Reference Application) Please provide details of Hydro's approach to assessing the relative cost of non-wires alternatives (NWAs) and distributed energy resources (DERs) to the capital investment in traditional assets that are included in Hydro's capital plan, including any reports or analyses that show the comparative analysis for the projects included in the 2026 Capital Budget Application. If NWAs have not been considered, please explain why they have been excluded as options without a comparison of alternatives.

CA-NLH-042 (Reference Application) In reference to the allowance for "unforeseen items", please provide a history of this allowance from 2000 to the present, and where and when the allowance was called upon, and for what reasons, and what was left in the allowance for unforeseen items at the end of each particular year.

CA-NLH-043 (Reference Application) Please provide a projection of Hydro's capital structure, in dollar and percentage terms, in 2030 based on the Five-year Capital Plan, and compare to Hydro's current capital structure.

CA-NLH-044 (Reference Application, 2026 Capital Budget Overview, page i) It is stated "*Through to and including 2030, the Government of Newfoundland and Labrador ("Government") has committed to target domestic rate increases limited to 2.25% annually.*" What has been the cost to government of the rate mitigation plan to date, and forecast through 2030?

CA-NLH-045 (Reference Application, 2026 Capital Budget Overview, page 1) It is stated "*Hydro conducted a digital engagement process where it asked customers to share their thoughts on the costs and reliability of the province's electrical grid. As part of that process, four out of five customers told Hydro they believed the system was reliable, and 87% said they did not want to pay more for reliability improvements that led to fewer or shorter outages. Customers largely prioritize the lowest impact on electricity rates rather than other factors, and Hydro is mindful of this concern as it continues asset management planning.*"

a) Does Hydro believe that the digital engagement process applies to all elements of the provision of electricity service including production, transmission and distribution?

b) To what extent has Hydro engaged stakeholders and customers to inform its 2026 capital budget?

CA-NLH-046 (Reference Application, 2026 Capital Budget Overview, page 2) It is stated "*Hydro also continues to refine its budgeting and integrated planning processes to support the efficient execution of its capital plans.*"

a) How has Hydro refined its budgeting and integrated planning processes in its 2026 CBA?

b) How has Hydro incorporated transmission in its integrated planning process? In the planning process, can transmission be an alternative to generation?

CA-NLH-047 (Reference Application, 2026 Capital Budget Overview, page 2) It is stated "*Increased capital expenditures in recent years primarily reflects ongoing inflation as well as increased renewal-driven expenditures...*"

a) Does "ongoing inflation" refer to labour, equipment and material costs rising at the same rate as general inflation or at a higher rate?

b) Does Hydro expect that its unit costs of labour, material and equipment will increase with the general rate of inflation (e.g., GDP deflator) in 2026 and to 2030, or at a significantly different rate?

CA-NLH-048 (Reference Application, 2026 Capital Budget Overview, page 7) It is stated "*... and will be reviewed during the Asset Management Assessment of Newfoundland and Labrador Hydro to be completed by the Board's external consultant, EA Technology Ltd. in the third quarter of this year.*"

a) Has Hydro not undertaken its own asset management assessment? If so, how will this assessment be incorporated in the EA Technology Ltd. Review?
b) Why is this asset management assessment being undertaken now rather than 3 1/2 years ago when the Board issued the Provisional CBA Guidelines?
c) Is a similar assessment being undertaken for Newfoundland Power?

CA-NLH-049 (Reference Application, 2026 Capital Budget Overview, page 9) It is stated "*Hydro's average capital expenditure from 2015 through 2024 was approximately $154.1 million annually, which was driven primarily by expenditures on asset renewal; from 2025 to 2030 the anticipated average expenditure increases to approximately $525.5 million annually. Accordingly, Hydro's primary investment driver also changes from asset renewal to system growth. Hydro recognizes that these expenditures are significant, and feedback from customers has been very clear. The cost of living, including electricity rates, is a concern. Hydro is diligently reviewing its proposed capital expenditures and is continuing to recommend only the work scopes that absolutely and urgently must be completed to support reliability and begin to prepare for load growth.*"

a) How is increasing annual capital spending from $154.1 million to $525.5 million consistent with customer concerns about the cost of living and electricity rates? Is Hydro claiming that tripling annual capital spending will result in electricity rate decreases?
b) Given that customers place greater weighting on electricity rates than reliability, has Hydro relaxed its reliability criteria relating to the generation, transmission and distribution components of its business?
c) What programs are being pursued by Hydro in an effort to give customers a measure of control over the inevitable increases in electricity rates or is Hydro relying on the government to mitigate rate increases?
d) What is the forecast annual growth in demand and energy for each year from 2025 to 2035 on each of the Island and Labrador systems?
e) Please provide a list of complaints received by Hydro from customers relating to reliability.
f) Are Newfoundland Power efforts to maintain current levels of reliability that are consistent with Canadian averages in the case of SAIFI and 40% better than Canadian averages in the case of SAIDI consistent with Hydro's effort to provide a better balancing of costs and reliability?
g) What percentage of SAIDI and SAIFI are attributable to each component of Hydro's business: generation, transmission and distribution?

CA-NLH-050 (Reference Application, 2026 Capital Budget Overview, page 10) With respect to Chart 1, there is reference to "*other planned Major Projects to invest in asset renewal.*" Please clarify what these other Major Projects are.

CA-NLH-051 (Reference Application, 2026 Capital Budget Overview, page 10) Does Hydro anticipate that capital expenditures will return to the 2015 – 2024 historical average following the very high expenditures forecast for 2026 to 2030?

CA-NLH-052 (Reference Application, 2026 Capital Budget Overview, page 38) In Table 10:

a) Does "Total Remaining Contribution" simply indicate that none of the assigned cost has yet to be paid to Hydro?
b) Please confirm that the assigned costs are 100% of the costs.

CA-NLH-053 (Reference Application, 2026 Capital Budget Overview, Appendix G, page G-2) Please explain why "Procure Accommodations (2026) – Makkovik" has a higher risk mitigated score (17) than "Backup Critical Control Systems (2026) – Holyrood" (15).

CA-NLH-054 (Reference Application, Five-Year Capital Plan (2026 – 2030)) It is stated (page 4) "*Hydro is cognizant of the significant investment that would be required to implement additional generation, and therefore will seek opportunities to reduce or defer other capital expenditures in its five-year plan where appropriate and when associated risks can be acceptably mitigated.*" Please describe each behind-the-meter program (e.g., customer-owned generation, load control, community generation such as solar or wind farms, smart grid applications, time-of-use rates, etc.) that Hydro is pursuing prior to proceeding with its proposed major projects.

CA-NLH-055 (Reference Application, Five Year Capital Plan (2026 -2030) Appendix B, page B-1) What were the main drivers of the high capital expenditures ($162.9 million) in 2025?

CA-NLH-056 (Reference Application, Holyrood Thermal Generating Station Overview) Please provide a table showing Hydro's annual expenditures on Holyrood in total and by type (e.g., operations and maintenance, capital, and fuel expense) as well as generation (MWh) for 2020 to 2026F.

CA-NLH-057 (Reference Application, Holyrood Thermal Generating Station Overview) What alternatives to converting Holyrood Unit 3 to synchronous condenser operation were/are being considered by Hydro?

CA-NLH-058 (Reference Application, Holyrood Thermal Generating Station Overview, page 13) Regarding the years 2025-2030, it is stated that Holyrood "*will typically be online and staged to meet load requirements, as needed,...*" Please elaborate on "as needed." In particular, how much variability in daily generation is anticipated during the mid-October through March period over those years and would this be in response to changes in system load over that time?

CA-NLH-059 (Reference Application, Holyrood Thermal Generating Station Overview, page 14) It is stated "*Decommissioning costs are not included in the capital plan and are assumed to be funded by an Asset Retirement Obligation ("ARO") budget.*" Please elaborate on the ARO budget and how it is funded.

CA-NLH-060 (Reference Application, Holyrood Thermal Generating Station Overview, page 15) Regarding depreciation.

a) Please provide the numerical calculation of the accelerated depreciation for 2024 based on the monthly deprecation formula in Section 6.1.
b) In the calculation of accelerated depreciation, is the remaining months of service life based on March 31, 2030, the date the Hydro has committed to having Holyrood fully available?
c) Since the Holyrood TGS could possibly have a service life less than the remainder of the bridging period, has Hydro considered fully expensing each year's capital expenditure in the year in which it is spent?
d) If the plant continues to generate electricity after March 31, 2030, how would depreciation be determined?

CA-NLH-061 (Reference Application, Holyrood Thermal Generating Station Overview, page 15, footnote 23) In light of the amount of time that has passed since Board Order P.U. 1(2024) and the fact that there is still no date for Hydro's next GRA, please provide a report on the Holyrood Accelerated Deprecation Deferral Account.

CA-NLH-062 (Reference Application, Bay d'Espoir Hydroelectric Generating Station) What information does Hydro have regarding the possible effects of climate change on the reservoir water supply availability to the generation station?

CA-NLH-063 (Reference Application, Bay d'Espoir Hydroelectric Generating Station, page 12) Has Hydro assessed whether its 2026-2030 planned capital work for Bay d'Espoir, as described in Table 10, would lead to any increase in annual generation?

CA-NLH-064 (Reference Application, 2025 Capital Expenditures Overview, page ii) The table of contents indicates that section 3 "Bay d'Espoir Penstock Execution

Update" begins on page 32 but the text of the document ends on page 31. Please address.

CA-NLH-065 (Reference Application, 2025 Capital Expenditures Overview, pages 3 to 5) It appears that capital work on Holyrood TGS exceeds estimates on most every project undertaken by Hydro. Has Hydro modified its project cost estimating process for Holyrood given this experience and the age of the Holyrood plant?

CA-NLH-066 (Reference Application, 2025 Capital Expenditures Overview, pages 6-7) Regarding the variance for "Perform Level 2 Assessment – Stage 1 and 2 Cooling Water Sump Structures: It is stated "*A notification of change to the project budget was communicated to the Board on June 3, 2025*".

a) Is that the protocol that is followed for all programs and projects for which variances exceed 10% and $100,000 of approved budget?
b) Other than this case, please identify any other programs or projects that were paused in 2025 based on the Board's direction following a notification of change to the Board from Hydro? What about in 2024?

CA-NLH-067 (Reference Application, 2025 Capital Expenditures Overview, page 17) It is stated "*Inclusion of the Great Northern Peninsula and Labrador regions: These areas of the SCADA network were not accounted for in the original estimate ...*" Why not?

CA-NLH-068 (Reference Application, 2025 Capital Expenditures Overview, page 20, Replace Metering System) It is stated "*Hydro reviewed the cost-benefit analysis of alternatives and confirmed that the solution being implemented remains the least-cost alternative.*"

a) Please confirm that Hydro has gone about 53% over-budget on a project to install AMR meters that its consultant, Util-Assist states (CA-NLH-012, Attachment 1, page 8 of 64 pertaining to Hydro's 2025 CBA) "*the technological limitations to a drive-by solution are too great. As noted in Section 2: Technology and Trends, the trend amongst utilities in Canada and really across North America is toward the deployment of AMI. Drive-by AMR meter reading is something that electric utilities are moving away from and not towards. As the utility industry is searching for ways in which to improve Customer Experience, drive-by metering does the opposite in that it improves the utility's experience while preventing any meaningful impact to the customer.*"
b) Please file the referenced cost-benefit analysis of alternatives along with all assumptions.

CA-NLH-069 (Reference Application, 2025 Capital Expenditures Overview, Appendix B - Capital Expenditures and Carryover Report for the Year Ended December

31, 2024, page B-) It is stated "*Most of these over-expenditures associated with estimates are attributed to materials and construction contracts that exceeded the budget estimates, which may be indicative of a general shift in market pricing.*" What is Hydro doing in response to this "general shift in market pricing"?

CA-NLH-070 (Reference Application, Capital Programs and Projects, Wood Pole Line Management (2026), page 11) Please provide a chart similar to Chart 5 and showing the outage data for Hydro's wooden transmission system excluding the Avalon Peninsula.

CA-NLH-071 (Reference Application, Capital Programs and Projects, Wood Pole Line Management (2026), pages 15 - 16) A number of causes of increased costs (environmental mitigation, labour/contract pricing and procurement and expediting of materials) are given.

a) Have these cost factors increased the cost of the program by substantially more than the general rate of inflation as measured by the CPI or GDP deflator? Please provide quantifications in the response.
b) How does the cost of the program influence Hydro's program activity? For instance, if, for the same level of activity, cost were to fall (increase) by 30% would Hydro increase (reduce) its proposed expenditures on the program?

CA-NLH-072 (Reference Application, Capital Programs and Projects, Wood Pole Line Management (2026), page 14) It is indicated (Table 6) that Risk Mitigated per $1 million is 1.9 for this program. If the approved budget were to be set at $5 million:

a) How much would the risk mitigated per $1 million be affected?
b) How would Hydro adjust its scope of work in order to optimize the use of a $5 million budget?

CA-NLH-073 (Reference Application, Capital Programs and Projects, Distribution System In-Service Failures, Miscellaneous Upgrades and Street Lights (2026), page i) It is stated "*Without this program in place, there is a high risk of substantial distribution equipment damage, customer outages that exceed the maximum allowable durations, and unsafe conditions for Hydro personnel.*" What is the maximum allowable duration of a customer outage?

CA-NLH-074 (Reference Application, Capital Programs and Projects, Distribution System In-Service Failures, Miscellaneous Upgrades and Street Lights (2026), page 2) It is stated "*The program also includes expenditures related to the replacement of existing street lights with LED street lights, as Hydro works to complete the retirement of HPS and MV street lighting in its system.*"

a) How many LED lights were replaced in 2023 and 2024 under the Street Light Modernization program and at what cost in each respective year?
b) How many LED will be replaced in 2025 and at what unit cost?
c) For 2026, how many LED are expected to be installed and at what unit cost?

CA-NLH-075 (Reference Application, Capital Programs and Projects, Provide Service Extensions (2026))
a) For each of the past five years please provide a table showing the number of service requests, the number of service requests for which there was a CIAC, the total cost of the extensions, and revenue from associated CIAC.
b) Please provide a copy of Hydro's CIAC Policy.

CA-NLH-076 (Reference Application, Capital Programs and Projects, Replace Light-Duty Vehicles (2026 – 2027))
a) How many of the vehicles to be purchased under this program will be electric vehicles?
b) What criteria are used to determine if a new vehicle purchase will be an electric vehicle?
c) How many electric vehicles does Hydro currently have in its fleet and how has their performance been relative to gasoline/diesel vehicles?

CA-NLH-077 (Reference Application, Capital Programs and Projects, Perform Facilities Refurbishments (2026), Appendix B, page 13 of 40) The Option Summary table lists 5 options, and recommends that 4 of the 5 options be pursued. Is it appropriate to refer to these as "options" when 4 of the 5 "options" have been recommended?

CA-NLH-078 (Reference Application, Capital Programs and Projects, Perform Facilities Refurbishments (2026), Appendix D, page 36 of 110) Did Hydro challenge the cost estimates included in the consultant's report? For example, it is stated that "*A fire extinguisher should be provided - $300*" and "*Install receptacle faceplates for the storage shed receptacles - $300*". These estimates appear to be extraordinarily high, and they are before the 10% contingency has been added.

CA-NLH-079 (Reference Application, Capital Programs and Projects, Perform Facilities Refurbishments (2026), Appendix F, page 1 of 156) Was the condition assessment for Bishops Falls Office/Warehouse (and other buildings such as Whitbourne) completed more than 8 years ago? Have there been any updates?

CA-NLH-080 (Reference Application, Capital Programs and Projects, Overhaul Diesel Units (2026) page 9) It is stated "*The introduction and increase of tariffs on spare parts for diesel units will lead to higher prices for the same, as well as add to supply chain issues that are still being experienced from the after-effects of the COVID-19 pandemic.*"

a) What tariffs are being introduced and increased on spare parts for diesel units and by which countries? Please provide documentation on this.
b) Please identify the countries of origin for spare parts for diesel units.
c) Are the after-effects of the COVID-19 pandemic on the supply chain worse than the effects during the pandemic itself and particularly pronounced for spare parts for diesel units relative to the other materials and electrical equipment purchased by Hydro?

CA-NLH-081 (Reference Application, Capital Programs and Projects, Overhaul Diesel Units (2026) page 9) It is stated "*A fluctuating Canadian dollar can also affect prices if it is relatively weaker at the time of purchase.*" Has Hydro used the same exchange rate assumption for material and equipment costs for its other programs and projects in its 2026 CBA?

CA-NLH-082 (Reference Application, Capital Programs and Projects, Overhaul Diesel Units (2026) page 9) It is stated "*Forecast unit costs and overall budget expenditures are further affected by the unit's engine size and required work for the unit overhaul - within the 2026 budget, Hydro has two larger units within scope.*" Chart 4 on page 10 shows a more than 120% increase in expenditure on this program in 2026 compared to 2025, and a continuation of elevated expenditure in 2027 to 2030. Will those post-2026 high annual expenditures also be due to overhauls of larger units?

CA-NLH- 083 (Reference Application, Capital Programs and Projects, Replace Network Communications Equipment (2026-2027) page 10) Chart 6 shows a massive increase (more than 150%) in expenditure on this program in 2026 compared to 2025 followed by similarly large expenditures in 2027 to 2030. It is stated (page 9) "*The forecast budget is derived from the average unit cost per device for the 2024 and 2025 applications, adjusted for inflation.*"

a) Please explain the inflation adjustment that causes such an increase.
b) Please explain the higher expenditures in 2027 to 2030 considering the lower unit costs relative to 2026 for those years as provided in Chart 5 on page 6.
c) How large an increase in unit costs would lead Hydro to reduce the pace of this program?

CA-NLH-084 (Reference Application, Capital Programs and Projects, Purchase Personal Computers (2026)) What is the average cost of a laptop assumed in the budget estimate for personal computers?

CA-NLH-085 (Reference Application Capital Programs and Projects, Replace 48 V Battery Banks and Chargers (2026–2027))

a) What is the average cost of a 48 V battery and charger assumed in the 2026 CBA?

b) Has Hydro undertaken a cost-benefit analysis of 48 V lithium-ion batteries and chargers versus flooded cell batteries? If not, why not? If so, please provide the analysis.

CA-NLH-086 (Reference Application, Capital Programs and Projects, Perform Boiler Condition Assessment and Miscellaneous Upgrades (2026) page 1) It is stated "*This project has been completed annually since 2017 and has been integral in supporting the safe and reliable operation of steam supply systems at the Holyrood TGS.*"

a) Since this project has been done every year since 2017, has the cumulative effect resulted in a reduction in risk, or an increase in reliability?

b) If this project were to be undertaken every second year, what would be the impact on risk mitigated per $1 million?

c) In any year, once this project is completed, is there any assessment of the need to undertake it the next year?

CA-NLH-087 (Reference Application, Capital Programs and Projects, Perform Boiler Condition Assessment and Miscellaneous Upgrades (2026), page 7) Please provide a table in the format of Table 2 showing annual expenditures on this project from 2017 to 2024 and estimated 2025 expenditure as well as the 2026 CBA figures.

CA-NLH-088 (Reference Application, Capital Programs and Projects, L23/24 Steel-Tower Transmission Line Renewal (2026–2029))

a) What is the height of the towers and what is the spacing between the L23 and L24 transmission lines? Is there fall-free spacing between L23 and L24 along the full length of the right-of-way?

b) What criteria are used by Hydro for planning and operating the Labrador transmission system? For example, does Hydro consider the loss of either L23 or L24, or does Hydro consider the loss of both L23 and L24 in its planning and operating studies?

CA-NLH-089 (Reference Application, Capital Programs and Projects, L23/24 Steel-Tower Transmission Line Renewal (2026–2029), Attachment 1, page 9 of 28)

a) Table 8 shows that the 3-year program covering high- and medium-priority repairs is least cost at $5.7 million. Hydro is seeking approval for a 4-year program at a cost of $8.6 million for high- and medium-priority repairs. Please reconcile the year and cost differences.

b) Does Stantec do this type of construction/repair work, and if so, will they be allowed to bid the project?

CA-NLH-090 (Reference Application, Capital Programs and Projects, Overhaul Turbine Valves and Generator – Unit 2 (2026) – Holyrood, page 2) Footnote 7 states "*Hydrogen seals prevent hydrogen used for the generator cooling from leaking out of the generator casing, ...*" Where is the hydrogen sourced, how is it transported to the Holyrood site, and how is the hydrogen contained during the maintenance outage?

CA-NLH-091 (Reference Application, Capital Programs and Projects, Overhaul Turbine Valves and Generator – Unit 2 (2026) – Holyrood, page 8) Using the format of Table 2 please provide a table comparing the cost of the 2020 overhaul of valve and turbines with proposed 2026 CBA project estimate and provide explanations for the differences.

CA-NLH-092 (Reference Application, Capital Programs and Projects, Upgrade Worst-Performing Distribution Feeders (2026–2027)) For the L'Anse au Loup system please provide a table showing the number of customers by class and their respective electricity consumption for the years 2014 to 2024.

CA-NLH-093 (Reference Application, Capital Programs and Projects, Upgrade Worst-Performing Distribution Feeders (2026–2027)) Please provide a table showing SAIDI, SAIFI and CHI performance before and after upgrade work on each feeder included in this program over the past 20 years.

CA-NLH-094 (Reference Application, Capital Programs and Projects, Upgrade Worst-Performing Distribution Feeders (2026–2027), Appendix A, Table A-3) Does Hydro deem acceptable the SAIFI performance of all distribution feeders on its system?

CA-NLH-095 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, page 2) It is stated "*The TLs were constructed with narrowed ROW widths to minimize the quantity of vegetation cleared within the Park, as demonstrated in Figure 2.*" What has changed since these lines were constructed that minimizing the quantity of vegetation cleared is no longer important?

CA-NLH-096 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, page 3) It is stated "*These TLs are among the worst-performing in Hydro's system.*"

a) Please provide Tables 2, 3 and 4 with two additional columns showing the number of customers that lost service during the outage event and

the total number of minutes of customer outages during the outage event.

b) Please provide tables similar to Tables 2, 3 and 4 for each of Hydro's transmission lines that are performing worse than TL226, TL227 and TP229 and identify the lines that are redundant.

c) Does Hydro practice normal vegetation control on these right-of-ways?

d) Does Hydro have diesel generators that can supply the load in the Northern Peninsula during transmission line outages?

e) What actions does Hydro take when there is an outage of TL226, TL227 or TL229?

f) Given that TL229 serving the communities of Glenburnie, Trout River, and Woody Point is a non-redundant line, when there is an outage of TL229 do all customers in these communities lose power for the full duration of the outage?

g) Given that TL229 serving the communities of Glenburnie, Trout River, and Woody Point is the only non-redundant line (lines TL226 and TL227 are redundant, page 1), why has Hydro not proposed to widen the right-of-way of only TL229?

CA-NLH-097 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, page 7) It is stated "*In addition to forced outages, these tree contacts pose an electrical safety hazard to anyone travelling the ROWs, as well as a significant forest fire risk.*"

a) Please identify each injury and each forest fire that has occurred as a result of the narrow right-of-ways on these transmission lines.

b) Was the original decision to have a narrow ROW the result of a request by Parks Canada or an independent decision by Hydro?

c) Has Parks Canada ever expressed concerns to Hydro regarding safety hazards and forest fire risks associated with the ROW?

d) Has Parks Canada ever requested Hydro to clear more trees and vegetation along the ROW and is this project proposal due to a request from Parks Canada?

e) Who travels along the ROW? Is it open to the general public?

f) To the extent that widening of the ROW creates safety benefits to those traveling along the ROW and reduces the risk of forest fire, has Parks Canada offered a contribution to the work?

g) To the extent that the safety and forest fire risks are valid, is not the onus on Parks Canada to do this work? After all, the issue appears to be Parks Canada trees making contact with Hydro's power lines, not Hydro's power lines falling on trees.

CA-NLH-098 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, Attachment 1, page 2 of

112) It is stated "*The Park is recognized for its exceptional natural beauty and is inscribed on the UNESCO World Heritage List.*" Given the heritage and environmental importance of the Park, does Hydro consider this project to be consistent with providing least cost supply in an environmentally responsible manner?

CA-NLH-099 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, Attachment 1, page 16 of 112) It is stated that the primary project objective is to "*improve the reliability of electrical service to Hydro's customers on the Northern Peninsula.*" Please quantify the expected improvement in reliability resulting from the project. Would all of the past outages to these transmission lines have been avoided if the right-of-ways had been wider?

CA-NLH-100 (Reference Application, Capital Programs and Projects, Widen Right of Way (2026–2028) – Gros Morne National Park, Attachment 1) It is stated (page 18 of 112) "*In April 2024, both First Nations were provided the opportunity to review and provide feedback on the project. In May 2024, the draft DIA was provided for review and comment, with no comments received to date.*" Does Hydro interpret this to mean that both First Nations accept the project without limitations? Was a deadline given to both First Nations to provide comments?

CA-NLH-101 (Reference Application, Capital Programs and Projects, Upgrade PLX Metering System (2026–2028) – Labrador East) It is stated (page 2) "*Hydro's 2019 Conservation and Demand Management Potential Study found that Automated Metering Infrastructure ("AMI") would serve to increase system peak on the Labrador Interconnected System and therefore drive-by AMR system costs continue to meet Hydro's obligation for least cost, environmentally responsible, and reliable service to customers.*"

a) Is 2019 the most recent study undertaken on AMI (smart meters) in the province? If not, please summarize the conclusions and recommendations, and file copies of the more recent studies undertaken on AMI.
b) How would AMI "*increase system peak on the Labrador Interconnected System*"? Did the 2019 study determine that AMI would increase system peak, or that dynamic rates would increase system peak? Why might Hydro, or any utility for that matter, design rates that increase system peaks?
c) Please identify all utilities in Canada and the United States that are currently changing out metering technology with AMR technology.
d) Please identify the unique characteristics of the NL power sector relative to other Canadian jurisdictions that make AMR metering technology more desirable than AMI technology.

e) Please explain how 8 of the other 9 Canadian provinces erred in choosing to implement AMI technology over AMR technology.
f) Please provide a table identifying all benefits of AMI relative to AMR and compare it to the benefits identified and quantified in the 2019 Conservation and Demand Management Potential Study.
g) Did Hydro's consultant, Util-Assist, recommend AMR technology over AMI technology?
h) When does Hydro believe that AMR metering will become obsolete?

CA-NLH-102 (Reference Application, Capital Programs and Projects, Upgrade Distribution System (2026-2027) – Wiltondale) It is stated (page 2) "*A Supervisory Control and Data Acquisition ("SCADA") system will also be installed to allow for remote control and/or monitoring of the new assets from Hydro's Energy Control Centre.*" Please elaborate. Will a completely new SCADA system be required?

CA-NLH-103 (Reference Application, Capital Programs and Projects, Upgrade Distribution System (2026-2027) – Wiltondale) It is stated (page 2) "*This project is justified based on the operational need to fulfill Newfoundland Power's request for a new delivery point. Upgrades of the existing distribution system infrastructure are essential to enable the supply of the requested energy to Newfoundland Power.*"
a) What is the cost of this project per customer served by the distribution system?
b) How will the cost for this project be treated by Hydro and Newfoundland Power in their cost of service studies and how will the costs be recovered from customers? Will Newfoundland Power be funding this project and, if so, in what way?

CA-NLH-104 (Reference Application, Capital Programs and Projects, Install Intelligent Electronic Devices Management Software (2026–2028), page 1) It is stated "*This manual process limits the amount of cybersecurity management that can be applied to the devices. This increases Hydro's cybersecurity vulnerability at a time when cyberattacks on electrical grid infrastructure are continually increasing in complexity and impact.*"
a) How does a manual process increase cybersecurity risks?
b) In the event of a cyber attack, will Hydro have the ability to override the IED management software and manually control its assets?

CA-NLH-105 (Reference Application, Projects and Programs Under $750,000, page 1 of 15) It is stated "*Hydro is planning to purchase dedicated accommodations within Makkovik.*" What accommodations might be available for purchase in Makkovik?

CA-NLH-106 (Reference Application, Major Projects Five-Year Capital Plan (2026–2030)) It is stated (page 4) "*in support of Hydro's expansion plans, Hydro is exploring the viability of technical options, including special protection schemes and dynamic line rating, which would help minimize the transmission investment required and inform a future capital application, if required.*" How is Hydro able to determine its preferred expansion plan without knowing the transmission requirements necessary to transport generation supply to the load? Should not all supply alternatives including transmission be considered in an integrated resource planning process?

DATED at St. John's, Newfoundland and Labrador, this 5th day of September, 2025.

Per: _____

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